

TANDRIDGE DISTRICT COUNCIL

STRATEGY & RESOURCES COMMITTEE

Minutes and report to Council of the meeting of the Committee held in the Council Chamber - Council Offices on the 30th January 2024 at 7:30pm.

PRESENT: Councillors Langton (Chair), Crane (Vice-Chair), Botten, Cooper, Damesick, Chris Farr (Substitute in place of Black), Gray, Groves (Substitute in place of Bloore), Hammond, Pursehouse and Sayer

ALSO PRESENT: Councillors Allen, Sue Farr and Nicholas White

ALSO PRESENT (Virtually): Councillors Gaffney, Moore and O'Driscoll

APOLOGIES FOR ABSENCE: Councillors Black, Bloore and Alun Jones

224. MINUTES OF THE MEETING HELD ON THE 30TH NOVEMBER 2023

These minutes were confirmed and signed as a correct record.

Regarding the actions in respect of minutes 185 and 186, the Director of Resources confirmed the following:

Staff turnover KPI (SR7)

Interim staff were not factored into this KPI, which only related to permanent and fixed term staff. This would be explained within the Quarter 3 performance report to the Committee on 26th March 2024.

Implementing the new telephony system

The migration of officers' direct dial numbers to the new system was underway. The next phase would involve external calls to Customer Services and, following recent consultation with the Member Reference Group (MRG), would be the subject of a briefing note to all Councillors prior to the provisional 'go live' date of 14th February 2024. The main risk mitigation measure was to ensure adequate staffing levels for Customer Services during the switch over period. Furthermore, support for the existing telephony system would remain in place for at least six months pending assurance that the new system is operating effectively. Contingency measures were in place to revert to the existing system should the new one fail to perform as planned.

Dialogue with the MRG had begun regarding the longer-term strategy for customer engagement, including options presented to callers upon dialling the main Council number; communication channels for contacting the Council; and wider digital solutions, the design of which would be the subject of ongoing Member engagement.

225. INVESTMENT SUB-COMMITTEE - 19TH JANUARY 2024

RESOLVED – that the minutes of this meeting, attached at Appendix A, be received.

COUNCIL DECISION
(subject to ratification by Council)

RECOMMENDED – that, in respect of Item 3 of the Sub-Committee minutes, the Capital Investment and Treasury Management Strategy 2024-25 be approved.

226. STRATEGY AND RESOURCES COMMITTEE – 2024/25 PROPOSED GENERAL FUND BUDGET AND MEDIUM TERM FINANCIAL STRATEGY

A proposed draft 2023/24 revenue budget and capital programme for services falling under the remit of the Committee, together with a revenue budget for corporate items, was presented. Paragraph 1.6 of the accompanying report identified the principles upon which the overall Council budget were being prepared, including a balanced revenue budget without a call on General Fund reserves. It was noted that the Committee is responsible for delivering 59% of the Council's overall savings plan for 2032/24.

In response to Members' questions, the Director of Resources confirmed that:

- opportunities to generate additional rental income from the Oxted Council offices were being pursued; and
- the Commercial Finance Business Partner post had now been made permanent and would, therefore, be funded from the core revenue budget from 2024/25 onwards (the post had, initially, been funded from the Future Tandridge Programme budget for 2023/24).

RESOLVED – that:

- A. the Strategy & Resources Committee's proposed revenue budget for 2024/25 of £6.214m, as shown in Appendices A and B to the report and taking account of the pressures and savings allocated to the Committee, be agreed and it be noted that further allocations will be made to distribute an amount equal to increments and the agreed Council staff pay award, subject to approval at Full Council;
- B. the fees and charges for the Strategy & Resources Committee, as set out in Appendix C to the report, be agreed;
- C. the Strategy & Resources Committee's final capital programme for 2024/25 in the sum of £2.9m, as shown in Appendix D to the report, be agreed, subject to approval at Full Council;
- D. the corporate items proposed revenue budget for 2024/25 of (£0.485m), as shown in Appendices A and B to the report be agreed, noting that the amount set aside for a staff pay award, pensions and increments is £417k, which will ultimately be distributed to Committee budgets, with virements, subject to approval by the Strategy & Resources Committee; and

- E. the subjective revenue budgets in Appendix C to the report, setting out movements from 2023/24 to 2024/25 and an estimated movement to 2025/26, be noted.

227. 2024/25 FINAL BUDGET AND MEDIUM TERM FINANCIAL STRATEGY

A report was presented with a proposed Council-wide budget for 2024/25 and Medium-Term Financial Strategy to 2026/27. This followed consideration by the other policy committees of their respective elements of the budget and included:

- confirmation that the development of a new corporate plan, to be aligned with the budget setting process in future years, was underway
- key guiding principles upon which the budget and medium-term financial strategy is based, including balancing the budget with no use of general fund reserves
- revenue budget headlines and changes since the draft budget, including an additional investment of £338k for the Planning Policy Committee by comparison to the draft budget, with a £479k increase overall by comparison to the Planning Policy Committee's 2023/24 budget
- an analysis of budget pressures and the 2024/25 savings plan
- an update on the delivery of key milestones and saving targets within the Future Tandridge Programme, including 'next steps'
- the proposed creation of a £200k Service Capacity Fund to be held as a corporate resource, with its distribution subject to Member approval as and when proposals emerge for supplementing service budgets
- proposals on the level of Council Tax (the precept) to be set by the Council
- the Council's 'Section 25 report', providing confirmation on the robustness of estimates and the adequacy of reserves, subject to the need for reserves to increase in future to provide the Council with some flexibility and resilience in its medium-term financial planning.

The Director of Resources referred to the challenges associated with delivering priorities throughout the medium term from 2025/26 amidst a projected funding gap. In that respect, it was confirmed that a Transformation Programme Director would be joining in April 2024 to focus on shaping and delivering the Council's future plans within available resources. Work to identify savings would continue without let up, despite the 2024/25 budget being balanced.

The Committee was also informed that the Council was expecting a share of additional government funding for local authorities. However, confirmation of the amount (likely to be in the region of £120,000) and conditions of expenditure were still awaited and, therefore, the necessary adjustments to the 2024/25 budget would be made in due course.

In response to Members' questions, the Director of Resources:

- outlined potential risks to the delivery of the savings plan, including the potential for income shortfalls and reduced government grants, both of which were mitigated by earmarked reserves;
- explained the intention to enhance the resilience and efficiency of support services in the context of avoiding impacts upon 'resident facing services'
- explained the work currently in place to enhance cyber security
- advised that the £578k capital provision for playground improvements in 2023/24 included carry forwards from previous years and that the provisions for 2024/25 (£132k) to 2026/27 (£137k) did not represent reduced funding
- confirmed that the scope for joint working with Reigate & Banstead Borough Council for the management of off-street parking services was being pursued
- clarified that increases in the number dwellings would not necessarily translate directly into additional Council Tax income due to the impact of the Council Tax Support Scheme
- confirmed that the requirement for District Councils to undertake Council Tax referenda would be triggered if increases exceeded 2.99% (or £5 if greater) but that no statutory limits applied to Parish Council precepts.

Action	Responsible Person	Deadline
Confirmation of the percentage element of staff costs within the General Fund budget	Mark Hak-Sanders	28.02.2024

COUNCIL DECISIONS
(subject to ratification by Council)

RECOMMENDED – that:

- A. it be noted that, for the purpose of section 52ZB of the Local Government Finance Act 1992, the Council formally determines that the increase in Council Tax is not such as to trigger a referendum (i.e. not greater than the higher of £5 or 2.99%);
- B. it be noted that the Local Council Tax Support Scheme is unchanged for the financial year 2024/25;
- C. the Parish Councils' precept requirements for 2024/25 be noted by Full Council;
- D. it be noted that unavoidable external risks to the budget are mitigated through the retention of a general contingency of £0.445m per annum (held at the same level as 2023/24);
- E. the financial strategy to build the General Fund reserve from the current level of £2.8m using unused contingency be noted;

- F. the net revenue budget requirement be set at £12.799million (net cost of services after service-specific government grants) for 2024/25 (Appendices B and C), subject to confirmation of the Final Local Government Financial Settlement;
- G. the final budget envelopes for each Committee, including the allocation of pressures and savings targets for 2024/25 at Appendices B and C, be approved;
- H. the £74.8 million proposed three-year Capital Programme at Appendix D be approved (comprising £7.9m General Fund; £5.6m Community Infrastructure Levy; and £61.3m Housing Revenue Account) of which £25.5m capital budget is for 2024/25;
- I. the total Council Tax Requirement be set at £9.6 million for 2024/25, based on a Council Tax increase of 2.99% to cover Council services (Appendix E); and
- J. Tandridge District Council sets its precept for Band D Council Tax at £244.99 which represents a £7.11 / 2.99% uplift, equating to 14 pence per week – a full list of bands is as follows:

Valuation Band	Annual Amount (£)
A	163.33
B	190.55
C	217.77
D	244.99
E	299.43
F	353.87
G	408.32
H	489.98

- K. the Flexible Use of Capital Receipts Strategy for 2024/25 to meet the statutory guidelines for the use of such receipts to fund transformation (Appendix F) be approved; and
- L. in respect of the wider Future Tandridge Programme, progress be noted on:
- delivering the Future Tandridge Programme, the direction of travel for the Service Reviews and associated savings targets for 2023/24
 - developing a Commercial strategy and activities to support commercial opportunities
 - developing a consistent approach to continuous improvement and commissioning across the Council.

228. RISK MANAGEMENT STRATEGY

A revised risk management strategy was presented which sought to provide a clear framework for managing risk through the four stages of identification; evaluation / assessment; response / action; and monitoring / reporting. The strategy also reflected 'roles and responsibilities' and provided commentary on risk management training, risk appetite and risk governance.

RESOLVED – that, subject to the 3rd and 4th bullet points of Section 3 (Objectives) being reversed as follows:

- *Ensure senior staff understand and manage the risks relating to their activities and the impact on the Council's key strategic risks*
- *Ensure staff are aware of and understand the risk strategy and the risk framework, as well as how these apply to their own roles and responsibilities*

... the proposed Risk Management Strategy at Appendix A to the report be approved.

229. CLIMATE CHANGE MITIGATION UPDATE

The Committee received an update about the Council's approach to climate change mitigation and work taking place to support it. This included reference to:

- the Policy and Sustainability Specialist post which was filled at the end of July 2023 (as part of a restructured Policy and Communications team) the remit of which includes co-ordinating and overseeing the climate change work taking place across service areas, and ensuring the Council takes a more active role in county wide groups
- the Ecologist post to support Biodiversity Net Gain work.

The report also outlined climate change mitigation measures being pursued by the Council, including:

- work being undertaken with Surrey County Council and Connected Kerb Ltd with a view to entering into a contract for the installation of electric vehicle charging points across the district
- the aim for all council vehicles to be powered by electric or other low carbon alternatives by 2030
- partnership working with Action Surrey and Solar Together to help secure energy efficiency improvements for Tandridge households, along with other joint working initiatives
- other measures to increase the energy efficiency of the Council's housing stock.

Arising from the debate, it was agreed that a Task & Finish Working Group be established to enable Members to guide the preparation of a draft climate change strategy and action plan. This would be informed by the activities described above, together with the scope for specific objectives, examples of which were suggested during the debate. Discussion took place regarding the need for the action plan to be financially viable given the Council's limited resources.

RESOLVED – that:

- A. the report be accepted and noted; and
- B. a Task & Finish Working Group be established to prepare a draft climate change strategy and action plan for future consideration by the Committee, comprised as follows for the remainder of the current municipal year (Group Leaders to notify Democratic Services of their Group’s representatives):

Residents’ Alliance	2
Liberal Democrats	2
Conservatives	2
Independent Group	1

In accordance with Standing Order 25(4), Councillor Cooper wished it recorded that he abstained from voting.

230. PAY POLICY STATEMENT 2024/25

The Localism Act 2011 required Councils to publish annual pay policy statements. A proposed 2024/25 statement for Tandridge was submitted. The Chair reflected on the importance of linking pay progression to performance and achievement of objectives.

COUNCIL DECISION
(subject to ratification by Council)

RECOMMENDED – that the annual Pay Policy Statement for 2024/25, as attached at Appendix G, be adopted from 1st April 2024.

231. POLLING DISTRICT AND POLLING PLACE REVIEW 2023/24

A report was submitted regarding this review (required every five years by Section 18C of The Representation of the People Act 1983) which commenced on 6th November 2023. The report explained the Council’s statutory duties for ensuring the provision of accessible voting facilities and set out the responses to a public consultation regarding current arrangements.

An amended polling scheme was proposed which included:

- consequential changes following the recent electoral review conducted by the Local Government Boundary Commission for England (LGBCE);
- changes to polling district references to reflect new ward boundaries and to ensure all such references presented a more logical reflection of relevant wards
- new polling districts in Warlingham West and Oxted to take account of the changes to parish wards in those areas following the LGBCE electoral review.

During the consultation, representations had been submitted in favour of potential alternative polling places for the Godstone Central, Horne and Warlingham East polling districts. However, following consideration of the suggested locations, it was concluded that the existing venues should remain unchanged.

The report confirmed that some voters would be assigned new polling stations in light of the boundary review and that explanatory letters (plus e-mails if electors had agreed to share e-mail addresses) would be sent to affected households in March 2024. Members were advised that, where Parish and District ward boundaries are not co-terminus, electors would still be able to cast their votes in the one polling station. The Committee was also informed that Parish boundaries could only be made to realign with District wards via community governance reviews. Given the significant resource requirements of such reviews, they would have to be undertaken after the next General Election and could only be effective for subsequent parish polls.

RESOLVED – that:

- A. consequential changes be made to the polling district scheme to reflect the outcome of the Local Government Boundary Commission for England electoral review of Tandridge, namely:
 - (i) the polling place for polling district EC (recommended reference LNC2) be Lingfield & Dormansland Community Hall
 - (ii) a new polling district (ON2) be created to reflect the boundary changes between Oxted North and Oxted South, and that the polling place be Oxted Community Hall
 - (iii) polling districts in Caterham be amended to reflect the new Portley & Queens Park and Westway wards
 - (iv) a new polling district (WAW2) be created to reflect the boundary changes between Warlingham West and Whyteleafe;
- B. polling district references be amended to reflect the ward they are within; and
- C. no further changes to polling districts or polling places be made.

232. REVIEW OF DELEGATION OF POWERS TO THE STRATEGY & RESOURCES COMMITTEE

Members considered suggested amendments to the Committee's terms of reference and scheme of delegation (Part E of the Council's constitution) together with corresponding revisions to delegation arrangements for other committees.

The report advocated an uplift in the financial threshold for leasehold disposals of General Fund and Housing Revenue Account assets for lease periods between 16 and 99 years, i.e.:

	From	To
Council decision if rental value exceeds ...	£75,000 plus premium	£100,000 plus premium
Committee decision if rental value is up to ...		

The same uplift was recommended for leasehold disposals for lease periods of up to 16 years which required a committee decision. The uplifts were intended to take account of the impact of inflation since the threshold was originally set in 2018. Councillor Gray, seconded by Councillor Groves, moved an amendment to the respective recommendations that that the threshold should remain at £75,000. Upon being put to the vote the amendment was lost.

COUNCIL DECISIONS

(subject to ratification by Council)

RECOMMENDED – that:

- A. Clause B, “*Prepare and annually review a Committee Service Plan*” be deleted from the Terms of Reference section for this Committee and those for the Community Services, Housing and Planning Policy Committees;
- B. the following amendments be made to the list of matters reserved for this Committee to recommend to Full Council:

1. Amendment to item (ii):

Financial programmes for overall revenue and capital expenditure, including the medium term financial strategy and, as part of the annual budget setting process, the level of Council Tax and Prudential Indicators *(subject to the Committee being able to resolve rephasing of budgetary provision within the Council's capital programme to the next or subsequent financial years where this does not increase overall Council borrowing)*.

2. Amendment to item (iv):

Decisions on whether or not to proceed with freehold disposals of General Fund assets worth over £1 million.

3. Amendments to item (v):

Decisions on whether or not to proceed with leasehold disposals of General Fund assets for:

- periods over 99 years; and
- periods of between 16 and 99 years if the annual rental valuation is more than ~~£75,000~~ £100,000 plus premium.

4. Addition of a new item (vi):

Individual purchases of land or buildings within or outside the District (including by means of a loan to a Local Authority owned company) via the Council's General Fund

... with subsequent items renumbered;

C. the following amendments be made to the list of matters reserved for the Committee to resolve:

1. Amendments to item (iii):

Decisions on whether or not to proceed with freehold disposals of General Fund assets worth between £250,000 and up to £1 million (the Chief Executive can determine freehold disposals of assets worth less than £250,000 in consultation with Members in accordance with Standing Order 46 of Part B of the Constitution).

2. Amendments to item (iv):

Decisions on whether or not to proceed with leasehold disposals of General Fund assets for:

- periods between 16 and 99 years if the annual rental valuation is up to ~~£75,000~~ £100,000 plus premium; and
- periods up to 16 years if the annual rental valuation is more than ~~£75,000~~ £100,000

(Authority is delegated to the Chief Executive, in consultation with Members in accordance with Standing Order 46 of Part B of the Constitution, to approve leasehold disposals of General Fund assets of up to 16 years and with an annual rental valuation of up to ~~£75,000~~ £100,000).

3. Deletion of Item (v):

~~Individual purchases of land or buildings within or outside the District at or above £10 million (including by means of a loan to a Local Authority owned company).~~

4. Amendment to item (vii) (to be renumbered (vi)):

The seeking of ~~deemed planning consents~~ planning permission by, or on behalf of, the Council

... with subsequent items renumbered.

5. Addition of the following clause (to be numbered (xiii)):

Rephrasing of budgetary provision within the Council's capital programme to the next or subsequent financial years where this does not increase overall Council borrowing.

6. Addition of the following clause (to be numbered (xiv)):

Addition of externally funded schemes to the capital programme;

- D. the amended thresholds from £75k to £100k regarding the leasehold disposals of General Fund assets (Recommendations B3 and C2 above) be also applied to the corresponding clauses within the lists of matters reserved for the Housing Committee to recommend and resolve regarding leasehold disposals of Housing Revenue Account assets; and
- E. the extra clause, "*Addition of externally funded schemes to the capital programme*" be also added to the delegation schemes of the Community Services; Housing; and Planning Policy Committees within the lists of matters reserved for those committees to determine.

Rising 10.04 pm